

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Agriculture Department – Procurement and Pre-positioning of Fertilizers for Kharif 2010 and Rabi 2010-11 – Nomination of A.P.State Cooperative Marketing Federation Limited as Nodal Agency – Orders – Issued.

-----  
**AGRICULTURE & COOPERATION (FP.II) DEPARTMENT**

G.O.Rt.No. 288

Dated:05 -03-2010.  
Read the following:

- 1) From the Commissioner & Director of Agriculture, Hyderabad Letter No.Fert.I(1) 404/2009, dated 28.1.2010.
- 2) From the Managing Director, A.P.State Cooperative Marketing Federation limited, Hyderabad letter Rc.No.Fert./2009-10, dated 27.1.2010.
- 3) From the Managing Director, A.P.State Cooperative Marketing Federation limited, Hyderabad letter Rc.No.Fert./2009-10, dated 29.1.2010.
- 4) From the Commissioner & Director of Agriculture, Hyderabad Letter No.Fert.I(1) 404/2009, dated 29.1.2010.

\*\*\*

**ORDER**

:

The Commissioner & Director of Agriculture, Hyderabad vide letters first and fourth read above has stated that in view of unrest and hardship caused to farmers on account of meager availability of DAP and Complex Fertilizers in the beginning of Kharif 2008 and in order to avert such crisis in future the Government had nominated A.P. MARKFED for procurement and pre-positioning of fertilizers during 2008-09 (Rabi season) and 2009-10 and permitted the Agency to raise loan to a tune of Rs.500.00 crores and agreed to reimburse the interest and carrying costs of storage, handling and transportation. This measure has ensured availability of fertilizers to the needy areas in time during the year 2008-09 Rabi season and 2009-10.

2. In view of the position explained above, the Commissioner & Director of Agriculture, Hyderabad has requested the Government to consider the proposals of the A.P. MARKFED as Nodal Agency for Agricultural year 2010-11 and permit the Agency to purchase and maintain 1.00 LMT of DAP and 1.00 LMT of Complex and other Fertilizers as buffer to ensure availability of the fertilizers in time to needy areas and avoid hardship to farmers.

3. The Managing Director, A.P.MARKFED, Hyderabad vide letter second and third read above has requested to consider appointing A.P. Markfed as Nodal Agency for procurement, storage and distribution of fertilizers, duly maintaining the required buffer stocks, for the year 2010-11 on similar terms approved in the earlier years.

4. After careful examination of the matter, Government hereby nominate the A.P.State Cooperative Marketing Federation Limited (A.P.MARKFED), Hyderabad as nodal agency for the State of Andhra Pradesh, for procurement and pre-positioning of fertilizers for the Kharif and Rabi seasons 2010-11. Government also permit the A.P.MARKFED to raise loans upto Rs. 500.00 Crores (Rupees Five hundred crores only) for the above purpose from Banks /Financial Institutions. The A.P. Markfed shall operate the limit upto Rs.200.00 Cores for procurement of 1.00 lakh MTs of DAP and 1.00 lakh MTs of complex. The limit beyond Rs.200.00 Crores will be operated only if there is an essential need to maintain additional buffer stock.

Pto..

5. Government will bear the interest accrued on the said loans for one year i.e., end of Rabi 2010-11 on quarterly basis or till liquidation of the stocks thus procured and till clearance of all loans raised for the above purpose and will also reimburse the cost of incidental charges such as insurance, handling, storage and transportation etc., for the season 2010-11.

6. The A.P.MARKFED shall procure the fertilizers depending upon the need and as per the guidelines to be issued by the Commissioner & Director of Agriculture, A.P., Hyderabad separately. The drawl of amounts of loans shall be only to the extent of requirement. The reimbursement of interest on the loans raised shall be on quarterly basis and reimbursement of incidental charges such as insurance, handling, storage and transportation etc., expenditure shall be on submission of detailed bills for reimbursement of actual amounts after incurring the expenditure.

7. The Managing Director, A.P.MARKFED shall allocate the required quantities of fertilizers to the A.P.AGROS, HACA etc., and coordinate with these agencies in distribution of fertilizers in the State.

8. The Commissioner & Director of Agriculture, A.P., Hyderabad / The Managing Director, A.P.MARKFED, Hyderabad shall take further necessary action, in the matter.

9. This order issues with the concurrence of Finance (EAC) Department vide their U.O.No.4310/88/A2/EAC/2010, dated 04.03.2010.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**RACHEL CHATTERJEE  
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To

The Commissioner & Director of Agriculture, A.P. Hyderabad.

The Managing Director, A.P.MARKFED, Hyderabad.

Copy to:

The VC & MD, A.P.AGROS, Hyderabad.

The Managing Director, Agriculture Cooperative Association Ltd.,  
Hyderabad (HACA).

The Finance (EAC) Department.

SF/SC.

**// Forwarded :: By Order //**

**SECTION OFFICER.**